



# Inner City Reinvestment / Infill Policy





# Presentation Summary

1. Essence of the Policy
2. Policy Goals
3. Targeted area
4. Demographics
5. Key Aspects
6. Coordination & Briefings
7. Next Steps



# Inner City Reinvestment / Infill Policy

- Facilitate reinvestment and development in the inner city
- Waive fees in City core target area
- Provide greater incentives for economic development assistance in target areas
- Align other funding sources to support inner city revitalization
- Create specialized team to assist development



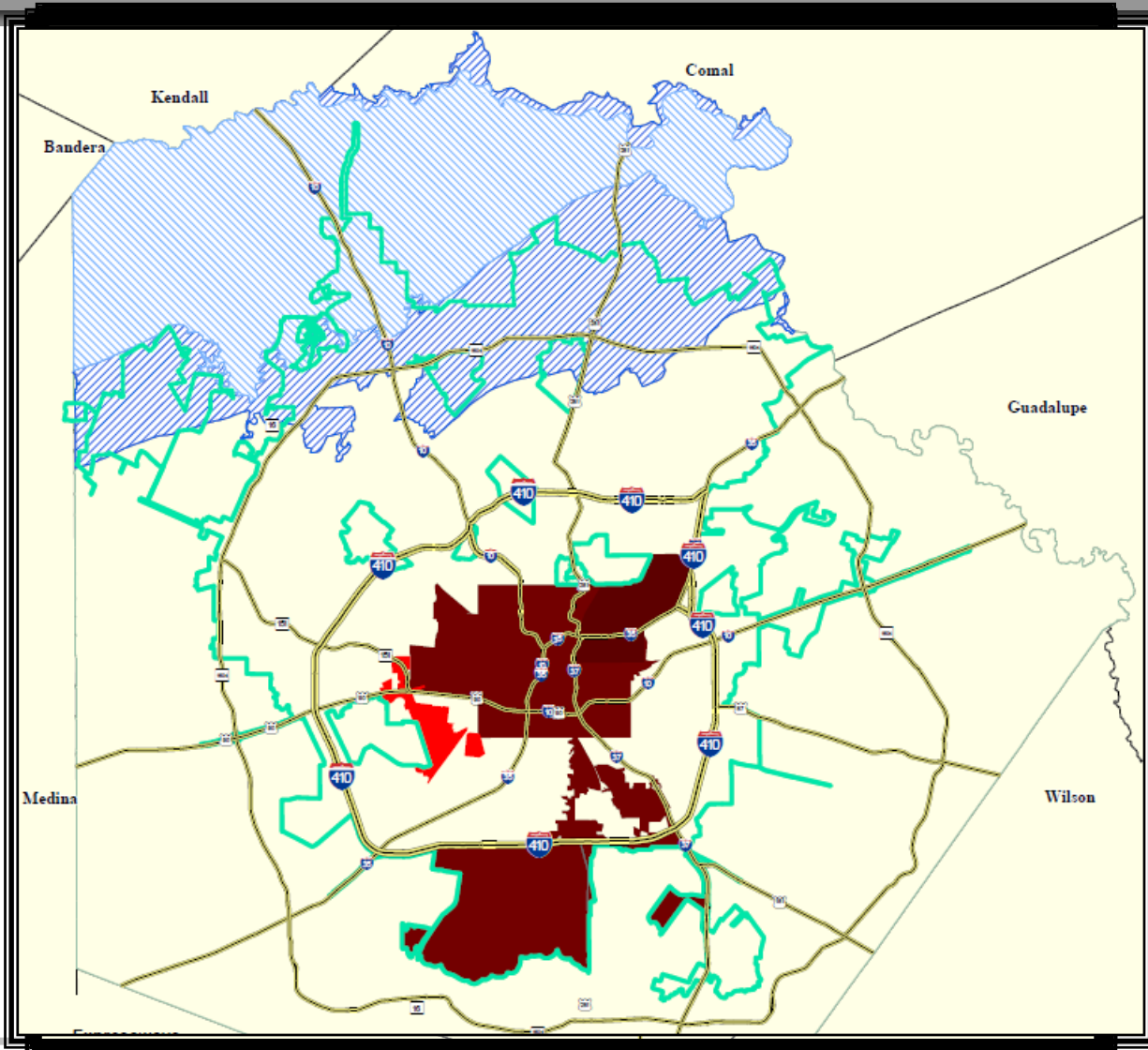
# Policy Goals

- Increase new development on vacant lots
- Increase redevelopment of underutilized buildings and sites
- Increased rehabilitation, upgrade and adaptive reuse of existing buildings
- Increased business recruitment and assistance



# Targeted Area

1. **CRAG**
2. **WDC**
3. **Fort Sam Houston GMP Area**
4. **Reinvestment Plan Areas**
5. **TIRZs**
6. **Neighborhood Commercial Revitalization Districts**
7. **City South**
8. **Port San Antonio**





# Demographics

- Demographic characteristics of San Antonio's CRAG
  - Poverty, 2008: **25.4% (Bexar = 12.0%)**
  - Avg Household Income, 2009: **\$38,038 (Bexar = \$63,763)**
  - Population: **194,566 in 2000, versus 194,899 in 1990**
  - Unemployment, 2009: **13.6% (Bexar = 8.8%)**
  - Education, 2008: **70.7% no college (Bexar = 44.9%)**



## Demographics (cont.)

- Housing
  - Rate of vacant housing, 2009: **13.4% (Bexar = 8.5%)**
  - Housing values, 2009: **\$55,775 (Bexar = \$99,530)**
  - Median year housing built: **1950 (Bexar = 1975)**
- Crime (All crime, rate per pop., 2006): **8.9% (Bexar = 6.1%)**



# Key Aspects

- Coordinated Incentives
  - Waiver of Fees
  - Development Incentives
- Land Banking
- Single Point of Contact





# Waiver of City Fees

- Development within the targeted area receive a waiver of City Fees
  - SAWS Fees
  - Public Works Fees
  - PDSD Fees
  - CIMS Fees



# Development Incentives

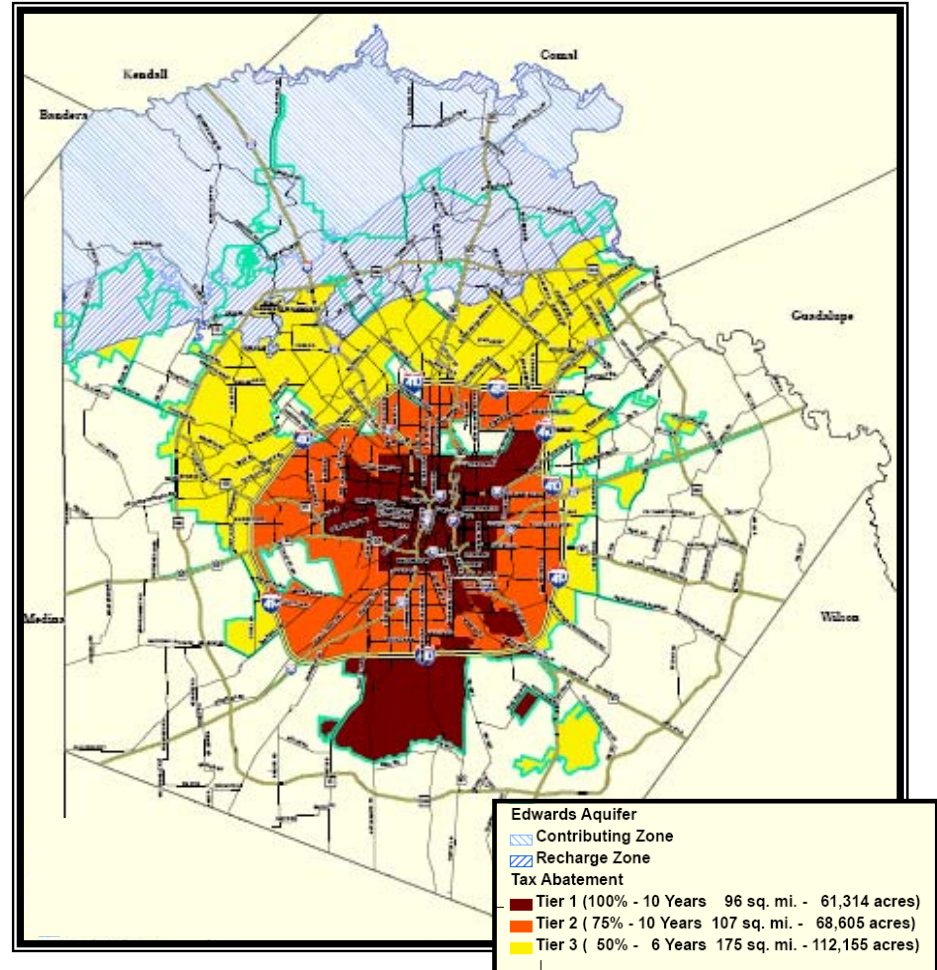
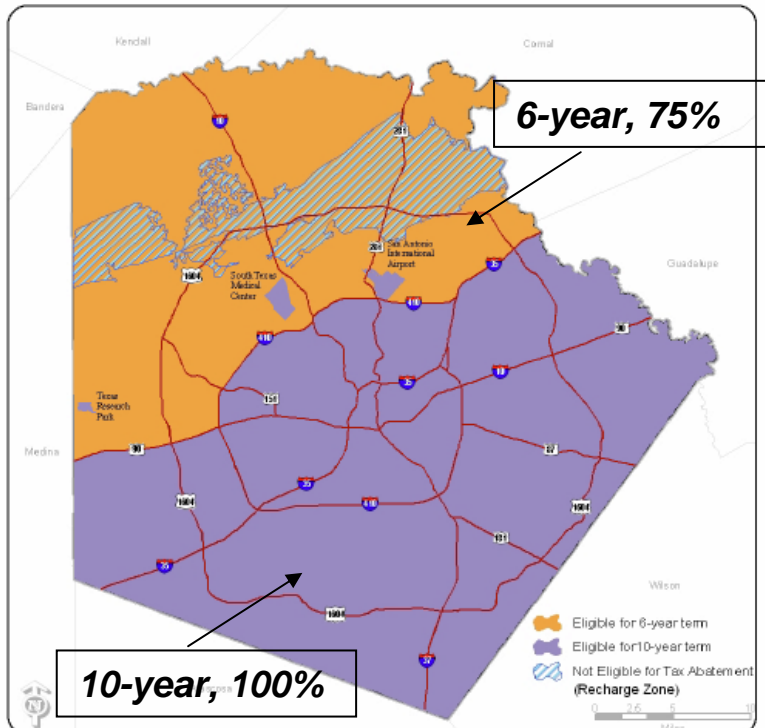
- Economic Development Grants/Loans
- Tax abatements
- CDBG / HOME
  - Down Payment Assistance
  - Housing rehab, lead-based paint abatement



# Proposed Tax Abatement Strategy

## APPENDIX B

### Map of 6- and 10-Year Tax Abatement Term Areas and Edwards Aquifer Recharge Zone



## Existing Target Areas

## Proposed Tiers



# Incentive Distribution Example

	Inside Target Area		Outside Target Area		Max Annual Amount
SAWS Fee Waivers	\$1,500,000	75%	\$500,000	25%	\$2,000,000
Public Works Fee Waivers	\$50,000	100%	\$0	0%	\$50,000
PDSD Fee Waivers	\$175,000	100%	\$0	0%	\$175,000
CIMS Fee Waivers	\$70,000	100%	\$0	0%	\$70,000
CDBG / HOME	\$1,300,000	65%	\$700,000	35%	\$2,000,000
NSP	\$5,200,000	65%	\$2,800,000	35%	\$8,000,000
Lead Based Paint Abatement	\$1,143,126	75%	\$381,042	25%	\$1,524,168
TOTAL	\$9,438,126		\$4,381,042		\$13,819,168



# Land Banking

- Allows for the identification, acquisition, management, and disposition of real property within the targeted area to:
  - Stimulate development
  - Facilitate affordable and market-rate housing
  - Facilitate disposal of City owned properties
  - Reduce the total number of abandoned/vacant properties
  - Provide acquisition support to implement Reinvestment Plans
  - Create and market a catalog of developable sites



# Single Point of Contact

- Receive special staff attention through the Center City Development Office
  - Dedicated and specifically trained staff from multiple departments
  - Facilitate project development and permitting



# Next Steps – Implementation Plan

- Revise SAWS Impact Fee Guidelines
  - Council consideration scheduled for February 11<sup>th</sup>
- Amend the City/County Joint Tax Abatement Guidelines
- Include preference for CDBG allocations for the target area in the new 5-yr Consolidated Plan & 1-yr Action Plan
- Review and amend PDSD, PW and CIMS Fee Schedules
- Establish the Land Banking program
- Open dialogue with CPS on their fee schedule
- Establish metrics for success
- Explore additional resources



# Coordination and Briefings

- Coordination:
  - Center City Development Office
  - Planning and Development Services Department
  - Economic Development Department
  - SAWS
- Briefings:
  - Community Development Advisory Committee
  - Quality of Life Council Committee
  - Economic and Community Development Council Committee





# Recommendation

- Adopt Inner City Reinvestment / Infill Policy
  - Establishes a target area
  - Sets goals for redevelopment and revitalization
  - Sets priorities for fee waivers and City incentives
  - Establishes administrative structure
  - Establishes annual review process of Inner City Reinvestment / Infill Policy



# Backup Slides

- \$10m Project Example – Tax Abatement & fee waivers
- SAWS fee waiver schedule for target area



# Example: \$10 Million Project

\$10,000,000 project scenario	CURRENT			PROPOSED		
	Fee Waivers	Tax Incentives		Fee Waivers	Tax Incentives	
Inside Target Area (Tier 1)	\$ 30,000	\$ 572,300	10-yr. Tax Abatement, 100% abatement	\$ 30,000	\$ 572,300	10-yr. Tax Abatement, <b>100%</b> abatement
Tier 2	\$ 30,000	\$ 572,300	10-yr. Tax Abatement, 100% abatement	\$ -	\$ 429,225	10-yr. Tax Abatement, <b>75%</b> abatement
Tier 3	\$ 30,000	\$ 257,535	6-yr. Tax Abatement, 75% abatement	\$ -	\$ 171,690	6-yr. Tax Abatement, <b>50%</b> abatement



# SAWS Fee Schedule

- Projects within the target area
  - Up to \$500,000 waiver eligible based on level of capital investment
    - <\$10m investment – up to \$100,000
    - \$10m and <\$20m investment – up to \$200,000
    - \$20m and <\$30m investment – up to \$300,000
    - \$30m and <\$40m investment – up to \$400,000
    - >\$40m investment – up to \$500,000
- Projects outside the target area capped at \$100,000 and must have an investment of \$50m or create 500 new full-time jobs